

The attached financial statements and related notes are in agreement with the Company's books of account after posting all adjustments and they represent the final statements and related notes for the Company.

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ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

SEC Mail Processing
Section

SEC FILE NUMBER

8-66303

FEB 27 2008

Y: *John Bennett*

Date: 2/27/08

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 1/1/2007 AND ENDING 12/31/2007
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Eliason Financial Group, LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

548 Hwy 155

(No. and Street)

St. Germain

Wisconsin

54558

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

John Bennett

715-479-5535

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wipfli LLP

(Name - if individual, state last, first, middle name)

43A W. Davenport Street

Rhineland

Wisconsin

54501

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions.

PROCESSED

MAR 19 2008

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THOMSON
FINANCIAL

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

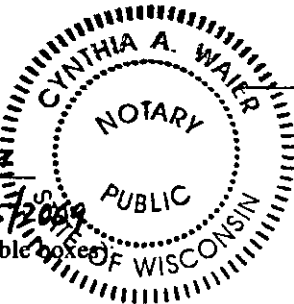
I, John Bennett, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Eliason Financial Group, LLC, as of December 31, 20 07, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

John M Bennett
Signature

President

Title

Cynthia A. Waier
Notary Public



MY COMMISSION EXPIRES: 11/15/2009

This report ** contains (check all applicable boxes)

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

ELIASON FINANCIAL GROUP, LLC
December 31, 2007

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Independent Auditor's Report

Board of Directors
Eliason Financial Group, LLC
St. Germain, Wisconsin

We have audited the accompanying balance sheet of Eliason Financial Group, LLC (the "Company"), as of December 31, 2007, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Eliason Financial Group, LLC as of December 31, 2007, in conformity with accounting principles generally accepted in the United States.

Wipfli LLP

Wipfli LLP

February 25, 2008
Rhineland, Wisconsin

ELIASON FINANCIAL GROUP, LLC
BALANCE SHEET
December 31, 2007

ASSETS

ASSETS:

Cash	\$ 302,440
Accounts receivable:	
Operating	5,000
Related party	9,709
Furniture and fixtures, at cost, less accumulated depreciation of \$12,285	30,237
Deposit with clearing broker	25,000
	<hr/>
Total assets	\$ 372,386

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES:

Accounts payable and accrued expenses	\$ 66,811
	<hr/>
Total liabilities	66,811

MEMBER'S EQUITY:

Contributed capital	515,000
Retained deficit	(209,425)
	<hr/>
Total member's equity	305,575
	<hr/>
Total liabilities and member's equity	\$ 372,386

The accompanying notes to financial statements are an integral part of this statement.

ELIASON FINANCIAL GROUP, LLC
NOTES TO FINANCIAL STATEMENT
December 31, 2007

NOTE A – ORGANIZATION

Eliason Financial Group, LLC, a State of Wisconsin limited liability corporation (the “Company”), is a FINRA registered broker/dealer that is headquartered in St. Germain, Wisconsin. The Company is a Limited Liability Company and is a wholly-owned subsidiary of Eliason, Inc. The Company engages in the business of acting as a dealer and providing brokerage services with respect to equity and other securities. The Company does not carry securities accounts for customers or perform custodial functions related to customer securities and, accordingly is exempt from SEC Rule 15c3-3. All securities transactions are cleared through a clearing broker on a fully disclosed basis. The Company is required to maintain a \$25,000 deposit with the clearing broker to collateralize certain transactions. The Company also provides services to a sister company, Eliason 1031 Properties Corporation, related to the sale of Tenant in Common Interests and collects commissions on sales of these interests to investors.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

2. Revenue Recognition

The Company recognizes commission revenues and related expenses on the trade date. Commission revenues and related expenses from the sale on Tenant in Common interests are recognized on the closing date.

3. Accounts Receivable

Accounts receivable is stated at the amount management expects to collect from balances outstanding at year-end. No allowance for doubtful accounts was considered necessary at December 31, 2007.

4. Furniture and Fixtures

Furniture and fixtures are carried at cost, less allowance for depreciation, using the straight-line method over a useful life of 3 to 15 years.

ELIASON FINANCIAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2007

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Advertising

Advertising costs incurred by the Company are expensed as incurred. Total advertising expense for the year ended December 31, 2007, was approximately \$21,000.

6. Income Taxes

The Company has elected, for Federal and state income tax purposes, to be treated as a Limited Liability Company under the provisions of the Internal Revenue Code. Accordingly, the Company's taxable income is included in the tax return of its sole member.

NOTE C – COMMITMENTS AND CONTINGENCIES

The Company is an introducing broker and clears transactions with and for customers on a fully disclosed basis with RBC Dain Rauscher, through its relationship with Nations Financial Group, Inc. In connection with this arrangement, the Company is contingently liable for its customers' transactions. At December 31, 2007, there were no amounts to be indemnified by RBC Dain Rauscher or Nations Financial Group, Inc., for these customer transactions.

The Company subleases office space for its St. Germain, Wisconsin headquarters location under a related party lease agreement as described in Note E below. This is an operating lease agreement which expires on August 31, 2008. Total rent expense under this lease agreement was \$21,600 for the year ended December 31, 2007.

Future minimum office lease payments are as follows:

2008	<u>\$ 14,400</u>
	<u>\$ 14,400</u>

The Company may be involved from time to time in various claims and legal proceedings of a nature considered normal to its business dealings. While any proceeding or litigation has an element of uncertainty, management of the Company believes that the outcome of any pending or threatening actions will not have a material adverse effect on the business or financial condition of the Company.

ELIASON FINANCIAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2007

NOTE D – NET CAPITAL REQUIREMENTS

The Company is a registered broker-dealer subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1, “the Rule”) and is required to maintain minimum capital as defined under the Rule. Under the Rule, the Company is required to maintain regulatory net capital of \$5,000. The Rule prohibits a broker-dealer from engaging in any securities transactions at a time when its aggregate indebtedness exceeds 15 times its net capital.

Net capital and aggregate indebtedness change from day to day. At December 31, 2007, the Company had regulatory net capital and net capital requirements of \$255,629 and \$5,000 respectively, and its ratio of aggregate indebtedness to net capital was .261 to 1.00.

The Company is exempt from Rule 15c3-3 of the Securities and Exchange Commission under paragraph (k)(2)(ii) of that Rule. Nations Financial Group, Inc., through RBC Dain Rauscher, serves as a clearing broker for the Company’s securities transactions.

NOTE E – RELATED PARTY TRANSACTIONS

The Company leases its main facilities in St. Germain, Wisconsin from Eliason, Inc. The lease calls for monthly rental payments of \$1,800 through August 2008. Rent paid during 2007 totaled \$21,600.

The Company has a management services agreement with a related party. Under terms of the agreement, the Company receives management services for \$6,500 per month. The Company expensed \$78,000 for the year ended December 31, 2007, under this agreement.

At December 31, 2007, the Company owed Eliason, Inc., \$7,455 which was included in accounts payable and accrued expenses. This balance consists primarily of expenses paid by Eliason, Inc.

During the year, Eliason Financial Group, LLC entered into a Service Agreement with Eliason 1031 Properties Corporation for management fees and handling of the Tenant-In-Common (TIC) sales process. In addition, Eliason Financial Group, LLC will also provide certain services regarding the employment and management of the National Sales Account Manager (the “Wholesaler”). This Service Agreement expires on the last day of the year, but shall automatically renew for a period of one year, with the Agreement continuing from year to year unless either party shall provide the other with written notice of its intent not to renew at least thirty (30) days prior to the end of the year. This agreement calls for a monthly base fee of \$25,500 plus commissions equal to 0.10% of equity on sales generated and closed, the base monthly fee was increased to \$35,000 per month and the commission to 0.20% with the addition of a second wholesaler position. The Company received \$321,517 in management fees and commissions totaling \$104,635 on the sales generated for the year ended December 31, 2007, under this agreement.

During the year Eliason Financial Group, LLC entered into a sales agreement with Eliason Funding Corporation to sell private notes. The agreement called for commissions of up to 6% to be paid to Eliason Financial Group, LLC for Eliason Funding Corporation notes sold to investors. The Company received \$43,050 in commissions on notes sold during the year ended December 31, 2007.

ELIASON FINANCIAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2007

NOTE E – RELATED PARTY TRANSACTIONS (Continued)

During the year, the Company acted as the managing broker dealer on several Tenant-In-Common offerings (TIC) sponsored by a sister company, Eliason 1031 Properties Corporation. The Company, as a broker, sold portions of other TIC offerings sponsored by Eliason 1031 Properties Corporation. The Company received commissions totaling \$1,854,593 on the sales generated.

Revenue received from related parties for the year totaled \$2,323,795 or 95.29% of total revenue.